

and therefore restore the public's confidence in our democracy, until we pass a meaningful campaign finance reform bill.

I urge you to schedule a vote on campaign finance reform on the floor of the House of Representatives. We must act soon. The people of western Wisconsin have told me to continue the fight until you agree to allow a vote. The people will not take "no" for an answer.

#### HONORING STEPHEN LEBEL

#### HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, February 3, 1998*

Mr. KILDEE. Mr. Speaker, I rise today to pay tribute to a man who has dedicated himself to improving the quality of life in my hometown of Flint, Michigan. On January 23, 1998, Mr. Stephen LeBel will be the guest of honor as family and friends gather to celebrate his lifelong career in public service.

Stephen LeBel has never once hesitated to reach out and help someone in need. In 1970, after graduating from Michigan State University, he found work in the Flint area as an Employment Counselor for the Michigan Employment Security Commission. While with the MESCC, Stephen proved to be a valuable resource to Flint residents in the areas of placement services and vocational counseling and training. This led to a two-year stint as a Vocational Rehabilitation Counselor for the Michigan Department of Education. In 1975, Stephen began his career with Insight Recovery Center, a nonprofit substance abuse treatment agency. After a short break, Stephen returned to Insight in 1977 as Director of Alcoholism Services. His achievements were recognized when he was named President and Chief Executive Officer in 1980, a position he holds to this day.

Since its inception in 1965, Insight Recovery Center has expanded its scope to include drug abuse and mental health services. This is due in large part to the exceptional leadership of Stephen LeBel. Over the years, Insight has established itself as Michigan's first independent facility to win accreditation by the Joint Commission on the Accreditation of Hospitals Organization. It has consistently been in the forefront of addiction treatment services.

In addition to his work with Insight, Stephen's influence extends throughout the state as well as the nation. He is a co-founder of the Michigan Campaign for Substance Abuse and Mental Health Reform. He has been affiliated with such groups as the Michigan Health and Hospital Association, National Association of Addiction Treatment Providers, and the National Council on Alcoholism and Drug Dependence of Michigan. In the Flint community, Stephen has been associated with the Urban League of Flint and United Way. For all his efforts, he has been recognized by both houses of the Michigan Legislature. His expertise and guidance are much sought after by his colleagues.

Mr. Speaker, many people, not only in the city of Flint, have been granted a new lease on life because of the dedication of Stephen LeBel. As it is our duty to preserve and protect

the quality and dignity of life for our constituents, let us remember that our task is made easier by people like Stephen. I ask my colleagues in the 105th Congress to join me in acknowledging the accomplishments of Stephen LeBel. We owe him a debt of gratitude.

#### KNIGHTS 100TH ANNIVERSARY

#### HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, February 3, 1998*

Mr. KANJORSKI. Mr. Speaker, I rise today to pay tribute to the Wilkes-Barre Council No. 302 of the Knights of Columbus on the occasion of its 100th Anniversary. I am pleased to have been asked to participate in this momentous event.

The Knights of Columbus have been active in the Wyoming Valley in my District in Pennsylvania since the organization's founding in 1898. The Organization has served the community in all aspects of religious and civic concerns. In January of that year, a call was sent out to prominent Catholics in the area. The notice read:

To promote sociability and patriotism among Catholic gentlemen of this city, it is proposed to form a Council of the Order of the Knights of Columbus, to be affiliated with the American Catholic organization of that name already existing.

The call was swiftly answered. Preliminary arrangements began for organization. Meetings were held every few days until the first official Council was formed and officers elected. A prominent newspaperman, Thomas P. Ryder was elected to head the council as Grand Knight.

The years to follow were filled with community activity and charitable undertakings. Council 302 had the unique distinction of having organized a complete military unit for active duty in World War I. In addition to the charity and community service activities, the members became involved in fraternal and social activities throughout the years. The Council formed many clubs which are still active to this day.

Mr. Speaker, I am extremely proud to join with the community in extending sincere congratulations on the occasion of the Council 302's 100th anniversary. I am also pleased to have had the opportunity to bring this important event to the attention of my colleagues and send my best wishes for a most successful anniversary celebration.

#### COOKING THE NUMBER TO SELL A SALES TAX?

#### HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, February 3, 1998*

Mr. STARK. Mr. Speaker, we must have the facts to debate the relative merits of alternative tax systems. I commend the following New York Times article to my colleagues and urge them to take a hard look at the math before endorsing the concept of a national sales tax to replace the current income tax.

[From the New York Times, Jan. 23 1998]

#### THE 23 PERCENT SOLUTION?

(By Robert S. McIntyre, Director, Citizens for Tax Justice)

WASHINGTON.—Suppose a bunch of rich people want to promote a national sales tax to replace the Federal income tax. How do they try to persuade the public to support such a plan? Simple: play with the arithmetic.

Earlier this month, the well-financed group Americans for Fair Taxation, based in Texas, kicked off a sales-tax campaign with a full-page advertisement in several large newspapers. It called for replacing all the main Federal taxes—personal and corporate income taxes, payroll taxes and the estate tax—with a 23 percent national retail sales tax.

According to the group, such a plan would raise exactly as much money as current laws do, while cutting taxes for just about everyone. The group's plan has been implicitly endorsed by Representative Bill Archer, a Republican from Texas, the chairman of the tax-writing House Ways and Means Committee and a longtime sales-tax fan and income-tax hater.

I was curious about how the group did its arithmetic, so I checked about its Web site—[www.fairtax.org](http://www.fairtax.org)—and sent a note to the E-mail address to get further information about the group's calculations.

According to the group's figures, at 1995 levels a new sales tax would have to raise \$1.36 trillion to replace all Federal income taxes, payroll taxes and estate and gift taxes. Under its plan, the group says, taxable spending would be \$4.6 trillion (after accounting for rebates to partly protect lower-income families). So, \$1.36 trillion divided by \$4.6 trillion would be the required sales tax rate. Fine, except that \$1.36 trillion divided by \$4.6 trillion is not 23 percent. It's about 30 percent.

It turns out that the group's purported 23 percent tax rate is misleading and hypothetical. It came up with that number by dividing the sales tax by the cost of a purchase plus the tax. So if the tax on a \$100 purchase is \$30, the group prefers to call it a 23 percent "tax inclusive rate" (\$30 divided by \$130). Ever hear of computing a sales tax like that?

The fact that the group's sales tax, even by its own figures, entails a 30 percent tax rate is only the beginning of the math problems. The group's backup materials also assert that almost a third of its projected sales-tax revenue is supposed to come from taxes the Government will pay to itself. Build a road, pay yourself a tax. Buy some planes for the Air Force, pay yourself some more. And so on.

Unfortunately, that shell game won't work. Without these phantom governmental tax payments, the sales tax rate would have to jump to 42 percent to break even.

A bit more digging reveals that a quarter of the remaining sales taxes are supposed to be paid on things like church services, free care at veterans hospitals and a variety of hard-to-tax financial services like free checking accounts. If we discount the taxes on these items, the sales tax rate would have to climb to an astronomical 56 percent to break even.

Apparently, the millions of dollars that American for Fair Taxes says it has spent on focus groups and polling have taught it an important lesson: giving people the real facts about a national sales tax is politically disastrous for its proponents. So the group is trying the only other available route: cooking the numbers.